Recently, a couple of Federal Budget Analysts from Washington, DC wondered about the profits in pharmaceutical drugs and came up with some interesting figures. Turns out that to purchase the active ingredients for many drugs is often pennies, while a hundred dollar plus price tag is passed on to consumers.

They found 100 tablets of 20 mg Prozac runs the consumer about $247.47, while the active ingredients only cost $0.11. Yes, that's right. Eleven cents for all one hundred tablets. It's a 224,973 percent mark-up, a profit margin most business owners dream of – but could never get away with.

Even more profitable, Xanax customers regularly pay $136.79 for a hundred 1 mg tablets, while the active ingredients cost just under three cents. The mark-up is an unbelievable 569,958 percent.

Of course, the active ingredients aren't the only expense in making these chemical concoctions. Drug companies regularly pay more than a million dollars per drug to their regulators, the FDA, in order to put their drug on the market. They are exorbitant fees, which all too often beg the question about any real regulation taking place, when the regulatory agency is funded by those it's supposed to be regulating.

If you were regulating the person writing your paychecks, how hard would you be on them? Maybe, perhaps, you'd cater to them? Catering is exactly what a group of FDA scientists told Congress was happening at the drug approval agency in a letter last October.

In connection to the letter the New York Times reported, "The scientists have documentary evidence that senior agency managers 'corrupted the scientific review of medical devices' by ordering experts to change their opinions and conclusions in violation of the law."

Wow, change their opinions and conclusions. Could this be done in the name of profits, not protection or health? And if this is done at the FDA, the regulatory agency, how credible do you think the studies are which are funded directly by drug companies and their paid researchers, on staff or University bound?

Then, of course, there's the advertising expense. A 2008 study found that pharmaceutical companies spend about 24% of their sales dollars on advertising and promotion, in contrast to just 13.4 percent on research and development. This promotional expense includes direct to consumer advertising and the continual wooing and "educating" of doctors – their front line sales force.

While consumers are bombarded with drug ads in magazines, newspapers and on TV, most would be surprised to know that this expensive form of advertising makes up only 14% of drug companies' promotional dollars – although it's an enormous source of income for most mainstream media.

It's been found that each family doctor receives about 28 visits each week from drug reps, who come bearing drug samples, dinner invitations, and often invitations to posh resorts and locales for more "education". In 2000 alone, the ten biggest drug companies spent just under 2 billion dollars on promotional events. In fact, drug companies spend about $8,290 per doctor to gain and maintain this exclusive relationship. When you look at it this way, it's no surprise that so many doctors think drugs are the only solution to anything that ails the body. They're being hit with the message in-person, from drug reps, about 5 times each working day.

Combine that with the fact that drug companies are funding professors at medical schools, the Universities themselves, and University bound researchers, and you'll get an even more clear picture of why medical doctors think drugs are the only viable avenue in health care.
At Harvard Medical School, about 1,600 professors and lectures confessed earlier this year that they or a family member were taking pharmaceutical dollars. They admitted this after being required to, upon pressure from students protesting the undue role of the drug companies in their education.

Of course, these dollars play a large role in determining what is studied, what is not, exactly how the findings are presented, as well as what is taught and what is not. UCSF researchers took a look at 192 published studies comparing different drugs and determined that the source of funding for a drug trial greatly influenced the outcome. They found that if the results favored a drug it was "about 20 times more likely" to have been funded by the manufacturer of that drug.

Now, factor into the equation that the pharmaceutical industry spends more to lobby government officials than any other sector, and it's all too clear why drugs are the dominant health care solution promoted today.

A 2005 investigation by the Center for Public Integrity found that in the seven years prior, the pharmaceutical and health products industry spent more than $675 million to lobby for the influence of public officials, saying it's lobbying operation is "the biggest in the nation" and that "no other industry has spent more money to sway public policy in that period." When you combine campaign contributions with those lobbying costs, the drug industry was outdone only by the insurance industry, with whom it has close connections.

So if you were wondering where all of those excessive drug profits were going, now you know. They're buying influence with the FDA, media, doctors, medical schools, professors, researchers and last but not least, politicians. They're all on the payroll and with plenty of extra money to go around; wonder what each of those influential sources will prescribe for you?

Resources:


Prescription Drug User Fee Rates for Fiscal Year 2009
http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=2008_register&docid=fr01au08-76

F.D.A. Scientists Accuse Agency Officials of Misconduct

Big Pharma Spends More on Advertising Than Research and Development, Study Finds
http://www.sciencedaily.com/releases/2008/01/080105140107.htm

Beyond Advertising: The Pharmaceutical Industry's Hidden Marketing Tactics – http://www.prwatch.org/node/7026

Pitching Doctors

Pharmaceutical Giants Establish Fund for Animal Research
http://www.timeshighereducation.co.uk/story.asp?storyCode=190428%C2%A7ioncode=26

Drug Company Funding of Drug Trials Greatly Influences Outcome
http://www.universityofcalifornia.edu/news/article/9265

Harvard Medical School in Ethics Quandry
http://www.nytimes.com/2009/03/03/business/03medschool.html?_r=1


http://www.naturalnews.com/026556_drug_companies_drugs_health.html